

**ADMINISTRATIVE INTERNAL USE ONLY**

04 m (3)

DCI/IC 74-1085

13 August 1974

MEMORANDUM FOR: [REDACTED]  
VIA : [REDACTED]  
SUBJECT : Executive Personnel System

STAT

1. [REDACTED] and I have reviewed, to the best of our ability, the referenced proposal to establish an Executive Personnel System. We have also conferred with [REDACTED] Office of Personnel, who provided us with the comments from OP which are attached. He said that the three-day deadline imposed was an internal DDM&S deadline, and did not affect IC's ability to comment on this proposal (which we did not even receive until after the deadline had passed).

2. [REDACTED] and I recommend that this paper be farmed out to AO/DCI where its substantive implications can be far more clearly understood. We would, however, like to point out just a few of the issues that seem to affect the Community.

a. The proposal would not affect the Personnel Exchange Program initially because it deals only with super-grades. If, however, it became necessary to offer a 16 to get a 15 to go to another Agency, problems would obviously arise.

b. CIA is excluded from the provisions of this proposal, but all other Community entities would be included--creating problems for rotations and reassignments. It would probably be wise to develop a coordinated Community position, with consideration being given to having exemptions for everyone.

**ADMINISTRATIVE INTERNAL USE ONLY**

~~ADMINISTRATIVE-INTERNAL USE ONLY~~

c. Executive training is mandated by the legislation in a variety of functional areas. This training is to be conducted by various universities. Needless to say, intelligence is not one of the functions, and we don't fit into any of the other categories.

Consideration should be given to establishing a separate but parallel intelligence functional area for Community personnel.

d. There are obvious problems with pay rates. The new legislation would revoke the old system without establishing anything new for the CIA. Some sort of parallel system will have to be worked out.

e. Reporting on the number and types of executive appointments raises problems even for excluded agencies, which will still have to deal with OMB and possibly the Civil Service Commission as well.

f. There is a serious problem in defining "career executives" within the terms of this proposal. CIA executives--and others in the Intelligence Community, if they were to be granted exemption--would by definition be non-career executives because they are not in competitive service. The proposal also says not less than 75 percent of each agency's executives should be career--an obvious impossibility for us within the current definitions. Moreover, this category would include Schedule C personnel and could raise the old fears about politicization of the Intelligence Community.

3. Among the first things we probably ought to do (other than staffing this proposal out immediately to personnel people who would know what they are talking about) would be to do a survey throughout the Community to identify super-grades--including military brass. We also need to determine if we are going to deal with this on a one by one basis or through the DCI in his Community role.

4. A final note, this is certainly not going to whiz through the Congress and if it passes at all, it is likely to undergo many changes. We can't afford to ignore it, however, and should at least get it on the back burner.

DCI/IC/CSS

~~ADMINISTRATIVE-INTERNAL USE ONLY~~